

**COMMONWEALTH OF VIRGINIA  
Department of Environmental Quality  
Tidewater Regional Office**

**STATEMENT OF LEGAL AND FACTUAL BASIS**

Colonna's Shipyard Inc.  
Norfolk, Virginia  
Permit No. TRO60108

Title V of the 1990 Clean Air Act Amendments required each state to develop a permit program to ensure that certain facilities have federal Air Pollution Operating Permits, called Title V Operating Permits. As required by 40 CFR Part 70 and 9 VAC 5 Chapter 80, Colonna's Shipyard Inc., has applied for a Title V Operating Permit for its Norfolk, Virginia facility. The Department has reviewed the application and has prepared a Title V Operating Permit.

## **FACILITY INFORMATION**

### Permittee

Colonna's Shipyard Inc.  
400 East Indian River Road  
Norfolk, Virginia 23523

### Facility

Colonna's Shipyard Inc.  
400 East Indian River Road  
Norfolk, Virginia 23523

County-Plant Identification Number: 51-710-00028

## **SOURCE DESCRIPTION**

NAICS Code: 336611 – Ship Building and Repairing (except in floating drydocks)  
NAICS Code: 488390 – Ship Building and Repairing (repair services provided by floating drydocks)

Colonna's Shipyard Inc. has been in operation since 1875. The facility is located on the Eastern Branch of the Elizabeth River in Norfolk, Virginia. The facility is primarily a ship repair company but does perform other types of work such as steel fabrication.

The facility is a regulated source of air emissions primarily due to the emissions of Volatile Organic Compounds (VOCs) from marine coatings applied to vessels under repair at the facility. Due to the potential levels of Hazardous Air Pollutant (HAP) emissions, the facility is subject to the MACT for shipbuilding and ship repair.

There are no New Source Review permits in effect for this source.

North Carolina is an affected state.

## **COMPLIANCE STATUS**

A full compliance evaluation of this facility, including a site visit, has been conducted. In addition, all reports and other data required by permit conditions or regulations, which are submitted to DEQ, are evaluated for compliance. Based on these compliance evaluations, the facility has not been found to be in violation of any state or federal applicable requirements at this time.

## EMISSION UNIT AND CONTROL DEVICE IDENTIFICATION

The emissions units at this facility consist of the following :

Emission Unit Id.	Stack Id.	Emission Unit Description	Size/Rated Capacity *	Applicable Permit Date
6	6	Abrasive Blasting	Not Applicable	Not Applicable
7	7	Marine Coating Application	Not Applicable	Not Applicable

\*The Size/Rated capacity is provided for informational purposes only, and is not an applicable requirement.

## EMISSIONS INVENTORY

A copy of the 2004 emission inventory generated from CEDS is attached. Emissions are summarized in the following tables.

	2004 Criteria Pollutant Emission in Tons/Year					
	VOC	CO	SO <sub>2</sub>	PM <sub>10</sub>	PM	NO <sub>x</sub>
Total	33.45	0.0	0.0	29.77	29.77	29.77

## **EMISSION UNIT APPLICABLE REQUIREMENTS – Abrasive Blasting**

### **Limitations**

The following Virginia Administrative Codes that have specific emission requirements have been determined to be applicable:

- 9 VAC 5-40-20 Compliance for Existing Sources
- 9 VAC 5-40-80 Existing Source Standard for Visible Emissions
- 9 VAC 5-40-90 Existing Source Standard for Fugitive Dust/Emissions

### **Monitoring and Recordkeeping**

The permit includes a requirement that the wind speed and wind direction be monitored and recorded. This condition will ensure compliance with the fugitive emissions requirements in the limitations, and will also be utilized as an indicator of opacity, if particulate matter from onsite activities is being transported to adjacent property.

### **Streamlined Requirements**

The permit does not include any streamlined requirements.

## **EMISSION UNIT APPLICABLE REQUIREMENTS – Marine Coating Application**

### **Limitations**

The following Code of Federal Regulations has been determined to be applicable:

40 CFR Part 63 Subpart I National Emission Standards for Shipbuilding and Ship Repair

The following Virginia Administrative Code has been determined to be applicable, and is incorporated into the specific conditions of the operating permit section:

9 VAC 5-60-100 Designated Emission Standards (National Emission Standards for Hazardous Air Pollutants for Source Categories)

The following Virginia Administrative Codes that have specific requirements have been determined to be applicable:

9 VAC 5-40-20 Compliance for Existing Sources

9 VAC 5-40-80 Existing Source Standard for Visible Emissions

9 VAC 5-40-90 Existing Source Standard for Fugitive Dust/Emissions

### **Monitoring, Recordkeeping, and Reporting**

The permit includes a requirement that the wind speed and wind direction be monitored and recorded. This condition will ensure compliance with the fugitive emissions requirements in the limitations, and will also be utilized as an indicator of opacity, if particulate matter from onsite activities is being transported to adjacent property.

The permittee is required to comply with the recordkeeping and reporting requirements contained in 40 CFR 63.788 for each compliance option chosen.

### **Streamlined Requirements**

The permit does not include any streamlined requirements.

## **EMISSION UNIT APPLICABLE REQUIREMENTS – Drydock #1 Backup Power Generator**

### **Limitations**

The following Virginia Administrative Codes that have specific emission requirements have been determined to be applicable:

- 9 VAC 5-50-20 Compliance for New and Modified Sources
- 9 VAC 5-50-80 New and Modified Source Standard for Visible Emissions

### **Recordkeeping**

The permit does not include a monitoring and recordkeeping requirement for opacity from this emergency generator. In accordance with the definition of an emergency generator, the unit is used only during the interruption of power to the facility, and for less than 500 hours per year. Due to the intermittent operational use of the unit, and because the opacity is not expected to exceed the standard when fired on diesel fuel, no requirement for opacity monitoring is included. However, the permit does include a requirement for recordkeeping for fuel type and hours of operation for the unit, to ensure the continued status of the unit as “emergency”.

### **Streamlined Requirements**

The permit does not include any streamlined requirements.

## **EMISSION UNIT APPLICABLE REQUIREMENTS – Degreaser Requirements**

### **Limitations**

The following Virginia Administrative Codes have specific requirements that have been determined to be applicable:

9 VAC 5-40-3280 - Existing Source Standard for Volatile Organic Compounds

9 VAC 5-40-3290 - Existing Source Control Technology Guidelines

### **Monitoring**

The permittee is required to perform annual visual inspections to ensure compliance with the labeling requirements and cover/closed container requirements.

### **Recordkeeping**

The permittee is required to keep records of annual inspection results, any corrective actions taken, and methods of waste solvent disposal.

### **Streamlined Requirements**

The permit does not include any streamlined requirements.

## **FACILITY-WIDE REQUIREMENTS**

### **Testing**

The permit requires construction of the facility in such a manner so as to allow for emissions testing at any time using appropriate methods.

The permit does not require source tests. A table of test methods has been included in the permit if testing to determine compliance is performed. The Department and EPA have authority to require testing not included in this permit if necessary to determine compliance with an emission limit or standard.



## **GENERAL CONDITIONS**

The permit contains general conditions required by 40 CFR Part 70 and 9 VAC 5-80-110 that apply to all Federal-operating permitted sources. These include requirements for submitting semi-annual monitoring reports and an annual compliance certification report. The permit also requires notification of deviations from permit requirements or any excess emissions.

### **Comments on General Conditions**

#### **B. Permit Expiration**

This condition refers to the Board taking action on a permit application. The Board is the State Air Pollution Control Board. The authority to take action on permit application(s) has been delegated to the Regions as allowed by §2.1-20.01:2 and §10.1-1185 of the *Code of Virginia*, and the "Department of Environmental Quality Agency Policy Statement NO. 3-2001".

This general condition cite(s) the Article(s) that follow(s):  
Article 1 (9 VAC 5-80-50 et seq.), Part II of 9 VAC 5 Chapter 80. Federal Operating Permits for Stationary Sources

This general condition cites the sections that follow:

- 9 VAC 5-80-80. Application
- 9 VAC 5-80-140. Permit Shield
- 9 VAC 5-80-150. Action on Permit Applications

#### **F. Failure/Malfunction Reporting**

Section 9 VAC 5-20-180 requires malfunction and excess emission reporting within four hours of discovery. Section 9 VAC 5-80-250 of the Title V regulations also requires malfunction reporting; however, reporting is required within two days. Section 9 VAC 5-20-180 is from the general regulations. All affected facilities are subject to section 9 VAC 5-20-180 including Title V facilities. Section 9 VAC 5-80-250 is from the Title V regulations. Title V facilities are subject to both sections. A facility may make a single report that meets the requirements of 9 VAC 5-20-180 and 9 VAC 5-80-250. The report must be made within four daytime business hours of discovery of the malfunction.

#### **J. Permit Modification**

This general condition cites the sections that follow:

- 9 VAC 5-80-50. Applicability, Federal Operating Permit For Stationary Sources
- 9 VAC 5-80-190. Changes to Permits.
- 9 VAC 5-80-260. Enforcement.
- 9 VAC 5-80-1100. Applicability, Permits For New and Modified Stationary Sources
- 9 VAC 5-80-1790. Applicability, Permits For Major Stationary Sources and Modifications  
Located in Prevention of Significant Deterioration Areas
- 9 VAC 5-80-2000. Applicability, Permits for Major Stationary Sources and Major  
Modifications Locating in Nonattainment Areas

#### **U. Malfunction as an Affirmative Defense**

The regulations contain two reporting requirements for malfunctions that coincide. The reporting requirements are listed in sections 9 VAC 5-80-250 and 9 VAC 5-20-180. The malfunction requirements are listed in General Condition U and General Condition F. For further explanation see the comments on general condition F.

#### **Y. Asbestos Requirements**

The Virginia Department of Labor and Industry under Section 40.1-51.20 of the Code of Virginia also holds authority to enforce 40 CFR 61 Subpart M, National Emission Standards for Asbestos.

### STATE-ONLY APPLICABLE REQUIREMENTS

No State-Only applicable requirements have been identified.

### FUTURE APPLICABLE REQUIREMENTS

No future applicable requirements have been identified.

### INAPPLICABLE REQUIREMENTS

No specific inapplicable requirements have been identified by the source.

The startup, shut down, and malfunction opacity exclusion listed in 9 VAC 5-40-20 A.4 cannot be included in any Title V permit. This portion of the regulation is not part of the federally approved state implementation plan. The opacity standard applies to existing sources at all times including startup, shutdown, and malfunction. Opacity exceedances during malfunction can be affirmatively defended provided all requirements of the affirmative defense section of this permit are met. Opacity exceedances during startup and shut down will be reviewed with enforcement discretion using the requirements of 9 VAC 5-40-20 E, which state that "At all times, including periods of startup, shutdown, soot blowing and malfunction, owners shall, to the extent practicable, maintain and operate any affected facility including associated air pollution control equipment in a manner consistent with air pollution control practices for minimizing emissions."

### COMPLIANCE PLAN

There is no compliance plan associated with this permit.

### INSIGNIFICANT EMISSION UNITS

The insignificant emission units are presumed to be in compliance with all requirements of the Clean Air Act as may apply. Based on this presumption, no monitoring, recordkeeping or reporting shall be required for these emission units in accordance with 9 VAC 5-80-110.

Insignificant emission units include the following:

Emission Unit Description	Citation	Pollutant(s) Emitted (9 VAC 5-80-720 B)	Rated Capacity (9 VAC 5-80-720 C)
Fiber glass lay-up on propeller shafts	n/a	VOC	n/a
Diesel cranes	n/a	VOC, NO <sub>x</sub> , SO <sub>2</sub> , PM, PM10	n/a
Fuel tanks	n/a	VOC	n/a
Hydroblasting	9 VAC 5-80-720 A.65	None	n/a
Welding	n/a	Particulates (Manganese)	n/a

**CONFIDENTIAL INFORMATION**

The source has not identified any information as confidential.

**PUBLIC PARTICIPATION**

The proposed permit will be place on public notice in The Virginian-Pilot from Friday, September 16, 2005 to Sunday, October 16, 2005.